

## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

Special Revenue Funds account for the proceeds of specific revenue sources (other than debt service or major capital projects) that are restricted for specified purposes.

Library Fund - This fund accounts for the operation of the City's Library.

Economic Development Fund - This fund accounts for resources dedicated to improving and maintaining the City's industrial park.

Donation Fund - This fund accounts for donations received for specific purposes.

Civic Celebrations Fund - This fund accounts for activity related to the City's Fourth of July or other celebrations.

Grant Fund – The City reports its grant activities in this fund. Grant activities include Fire Department, Police Department, Health Department, Community Development Block Grants and miscellaneous grants received by the City that are not accounted for elsewhere.

### **Capital Projects Funds**

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Capital Outlay Fund – This fund accounts for the departmental capital outlays. These expenditures are funded by the tax levy, normally are less than \$25,000 and are under the direction of the department supervisor.

Equipment Replacement Fund - This fund accounts for the rolling stock replacement program that accumulates annual funding (from property taxes) for replacement of vehicles and similar equipment in lieu of using borrowed monies.

Capital Improvement Fund - This fund accounts for land acquisitions, building projects and all public works projects and are usually funded with borrowed money or funding from some other source other than the tax levy.

Street Improvement Fund - This fund accounts for the activities of the local road improvement program. Funding is provided by the tax levy and a every other year local road improvement grant from the State.

Utility Improvement Fund - This fund is used to account for water and sewer connection fees that are used for water and sewer construction projects.

Development Fund - This fund is used to account for impact fees restricted for use to capital improvements.

**CITY OF FRANKLIN**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2004**

	Special Revenue Funds					Total
	Library Fund	Economic Development Fund	Donation Fund	Civic Celebrations Fund	Grant Fund	
<b>ASSETS</b>						
Cash and investments	\$ 205,741	\$ 59,727	\$ 78,297	\$ 15,731	\$ 20,040	\$ 379,536
Receivables						
Accounts receivable	70,274	-	-	-	3,552	73,826
Taxes receivable	976,000	-	-	-	-	976,000
Special assessments receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	53,914	53,914
Prepaid items	9,067	-	-	-	-	9,067
<b>TOTAL ASSETS</b>	<b>\$ 1,261,082</b>	<b>\$ 59,727</b>	<b>\$ 78,297</b>	<b>\$ 15,731</b>	<b>\$ 77,506</b>	<b>\$ 1,492,343</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 30,234	\$ -	\$ 668	\$ -	\$ 3,813	\$ 34,715
Accrued liabilities	18,953	-	-	-	3,778	22,731
Deferred revenue	976,000	-	-	-	-	976,000
<b>Total Liabilities</b>	<b>1,025,187</b>	<b>-</b>	<b>668</b>	<b>-</b>	<b>7,591</b>	<b>1,033,446</b>
<b>FUND BALANCES</b>						
Reserved for						
Encumbrances	-	-	-	-	-	-
Subsequent years expenditures	127,274	-	-	-	-	127,274
Emergency medical services	-	-	-	-	11,261	11,261
Utility improvements	-	-	-	-	-	-
Development	-	-	-	-	-	-
Donations & grants	-	-	77,629	-	58,654	136,283
Unreserved reported in:						
Special Revenue Funds	108,621	59,727	-	15,731	-	184,079
Capital Projects Funds	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>235,895</b>	<b>59,727</b>	<b>77,629</b>	<b>15,731</b>	<b>69,915</b>	<b>458,897</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,261,082</b>	<b>\$ 59,727</b>	<b>\$ 78,297</b>	<b>\$ 15,731</b>	<b>\$ 77,506</b>	<b>\$ 1,492,343</b>

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**CITY OF FRANKLIN**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2004**

	Capital Projects Funds							Total Nonmajor Governmental Funds
	Capital Outlay Fund	Equipment Replacement Fund	Capital Improvement Fund	Street Improvement Fund	Utility Improvement Fund	Development Fund	Total	
<b>ASSETS</b>								
Cash and investments	\$ 124,074	\$ 1,884,151	\$ 1,858,330	\$ 290,041	\$ 892,512	\$ 3,097,737	\$ 8,146,845	\$ 8,526,381
Receivables:								
Accounts receivable	-	-	-	-	-	-	-	73,826
Taxes receivable	333,000	250,000	-	730,000	51,882	-	1,364,882	2,340,882
Special assessments receivable	-	-	-	-	1,048,216	-	1,048,216	1,048,216
Due from other funds	-	-	102,000	-	-	-	102,000	102,000
Due from other governments	-	-	-	-	-	-	-	53,914
Prepaid items	-	-	-	-	-	-	-	9,067
<b>TOTAL ASSETS</b>	<b>\$ 457,074</b>	<b>\$ 2,134,151</b>	<b>\$ 1,960,330</b>	<b>\$ 1,020,041</b>	<b>\$ 1,992,610</b>	<b>\$ 3,097,737</b>	<b>\$ 10,661,943</b>	<b>\$ 12,154,286</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ 26,615	\$ -	\$ 454,693	\$ -	\$ 126,707	\$ 354,671	\$ 962,686	\$ 997,401
Accrued liabilities	-	-	-	-	-	-	-	22,731
Deferred revenue	333,000	250,000	-	730,000	1,100,098	-	2,413,098	3,389,098
<b>Total Liabilities</b>	<b>359,615</b>	<b>250,000</b>	<b>454,693</b>	<b>730,000</b>	<b>1,226,805</b>	<b>354,671</b>	<b>3,375,784</b>	<b>4,409,230</b>
<b>FUND BALANCES</b>								
Reserved for:								
Encumbrances	-	-	16,000	-	-	-	16,000	16,000
Subsequent years expenditures	-	-	81,000	-	-	-	81,000	208,274
Emergency medical services	-	-	-	-	-	-	-	11,261
Utility improvements	-	-	-	-	765,805	-	765,805	765,805
Development	-	-	-	-	-	2,743,066	2,743,066	2,743,066
Donations & grants	-	-	-	-	-	-	-	136,283
Unreserved reported in:								
Special Revenue Funds	-	-	-	-	-	-	-	184,079
Capital Projects Funds	97,459	1,884,151	1,408,637	290,041	-	-	3,680,288	3,680,288
<b>Total Fund Balances</b>	<b>97,459</b>	<b>1,884,151</b>	<b>1,505,637</b>	<b>290,041</b>	<b>765,805</b>	<b>2,743,066</b>	<b>7,286,159</b>	<b>7,745,056</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 457,074</b>	<b>\$ 2,134,151</b>	<b>\$ 1,960,330</b>	<b>\$ 1,020,041</b>	<b>\$ 1,992,610</b>	<b>\$ 3,097,737</b>	<b>\$ 10,661,943</b>	<b>\$ 12,154,286</b>

**CITY OF FRANKLIN**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2004**

	Special Revenue Funds					Total
	Library Fund	Economic Development Fund	Donation Fund	Civic Celebrations Fund	Grant Fund	
<b>REVENUE</b>						
Taxes	\$ 884,500	\$ -	\$ -	\$ -	\$ -	\$ 884,500
Intergovernmental revenue	-	-	840	-	343,596	344,436
Special assessments	-	-	-	-	-	-
Investment earnings	5,272	687	962	-	166	7,087
Miscellaneous revenue	133,207	-	9,934	104,712	8,357	256,210
Total Revenue	<u>1,022,979</u>	<u>687</u>	<u>11,736</u>	<u>104,712</u>	<u>352,119</u>	<u>1,492,233</u>
<b>EXPENDITURES</b>						
Current:						
Public safety	-	-	5,960	-	790	6,750
Health and human services	-	-	554	-	62,781	63,335
Culture and recreation	854,640	-	-	113,353	19,472	987,465
Conservation and development	-	-	-	-	-	-
Capital outlay	113,093	-	-	-	232,283	345,376
Total Expenditures	<u>967,733</u>	<u>-</u>	<u>6,514</u>	<u>113,353</u>	<u>315,326</u>	<u>1,402,926</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	55,246	687	5,222	(8,641)	36,793	89,307
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	40,073	-	-	-	-	40,073
Transfers out	-	-	(2,025)	-	(3,341)	(5,366)
Net change in fund balances	95,319	687	3,197	(8,641)	33,452	124,014
Fund balances - beginning	<u>140,576</u>	<u>59,040</u>	<u>74,432</u>	<u>24,372</u>	<u>36,463</u>	<u>334,883</u>
Fund balances - ending	<u>\$ 235,895</u>	<u>\$ 59,727</u>	<u>\$ 77,629</u>	<u>\$ 15,731</u>	<u>\$ 69,915</u>	<u>\$ 458,897</u>

(Continued)

**CITY OF FRANKLIN**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2004**

	Capital Projects Funds						Total	Total Nonmajor Governmental Funds
	Capital Outlay Fund	Equipment Replacement Fund	Capital Improvement Fund	Street Improvement Fund	Utility Improvement Fund	Development Fund		
<b>REVENUE</b>								
Taxes	\$ 223,000	\$ 255,000	\$ -	\$ 700,000	\$ -	\$ -	\$ 1,178,000	\$ 2,062,500
Intergovernmental revenue	-	-	-	79,090	-	-	79,090	423,526
Special assessments	-	-	-	-	1,051,888	2,235,630	3,287,518	3,287,518
Investment earnings	3,984	22,121	19,897	7,392	48,202	26,050	127,646	134,733
Miscellaneous revenue	3,579	52,076	-	-	-	-	55,655	311,865
Total Revenue	<u>230,563</u>	<u>329,197</u>	<u>19,897</u>	<u>786,482</u>	<u>1,100,090</u>	<u>2,261,680</u>	<u>4,727,909</u>	<u>6,220,142</u>
<b>EXPENDITURES</b>								
Current:								
Public safety	-	-	-	-	-	-	-	6,750
Health and human services	-	-	-	-	-	-	-	63,335
Culture and recreation	-	-	-	-	-	13,917	13,917	1,001,382
Conservation and development	-	-	-	-	-	3,352	3,352	3,352
Capital outlay	454,273	284,961	778,167	386,116	-	-	1,903,517	2,248,893
Total Expenditures	<u>454,273</u>	<u>284,961</u>	<u>778,167</u>	<u>386,116</u>	<u>-</u>	<u>17,269</u>	<u>1,920,786</u>	<u>3,323,712</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(223,710)	44,236	(758,270)	400,366	1,100,090	2,244,411	2,807,123	2,896,430
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	5,366	2,234,513	-	22,026	-	2,261,905	2,301,978
Transfers out	-	-	(2,154,990)	(328,000)	(1,877,989)	(478,840)	(4,839,819)	(4,845,185)
Net change in fund balances	(223,710)	49,602	(678,747)	72,366	(755,873)	1,765,571	229,209	353,223
Fund balances - beginning	<u>321,169</u>	<u>1,834,549</u>	<u>2,184,384</u>	<u>217,675</u>	<u>1,521,678</u>	<u>977,495</u>	<u>7,056,950</u>	<u>7,391,833</u>
Fund balances - ending	<u>\$ 97,459</u>	<u>\$ 1,884,151</u>	<u>\$ 1,505,637</u>	<u>\$ 290,041</u>	<u>\$ 765,805</u>	<u>\$ 2,743,066</u>	<u>\$ 7,286,159</u>	<u>\$ 7,745,056</u>

## CITY OF FRANKLIN

## General Fund

Schedule of Revenue - Budget and Actual  
Year Ended December 31, 2004

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>TAXES</b>				
General property taxes	\$ 11,340,900	\$ 11,340,900	\$ 11,335,096	\$ (5,804)
Water Utility - tax equivalent	644,000	644,000	634,462	(9,538)
Cable TV franchise fees	245,000	245,000	288,498	43,498
Mobile home assessments	52,000	52,000	38,038	(13,962)
Motel room tax	60,000	60,000	49,502	(10,498)
	<u>12,341,900</u>	<u>12,341,900</u>	<u>12,345,596</u>	<u>3,696</u>
<b>INTERGOVERNMENTAL REVENUE</b>				
State shared revenue	1,201,600	1,201,600	1,191,315	(10,285)
Fire insurance - dues	85,000	85,000	91,336	6,336
Local, state and federal grants and aids				
Computer Aid	48,000	48,000	42,475	(5,525)
Transportation aids	1,234,300	1,234,300	1,234,079	(221)
Recycling	80,000	80,000	77,534	(2,466)
Other	10,000	10,000	5,244	(4,756)
	<u>2,658,900</u>	<u>2,658,900</u>	<u>2,641,983</u>	<u>(16,917)</u>
<b>LICENSES, FEES AND PERMITS</b>				
Licenses:				
Liquor	24,800	24,800	25,977	1,177
Bartenders	13,500	13,500	12,687	(813)
Amusement and related	8,400	8,400	8,975	575
Peddlers	45,000	45,000	35,555	(9,445)
Food and related	11,500	11,500	11,395	(105)
Electrical contractors	16,000	16,000	16,350	350
Dog and cat	7,200	7,200	4,321	(2,879)
Other	7,850	7,850	3,512	(4,338)
Permits:				
Building	535,000	535,000	770,478	235,478
Electrical	110,000	110,000	146,041	36,041
Plumbing	125,000	125,000	188,565	63,565
Fire	9,500	9,500	6,849	(2,651)
Other	29,400	29,400	27,752	(1,648)
	<u>943,150</u>	<u>943,150</u>	<u>1,258,457</u>	<u>315,307</u>
<b>FINES, FORFEITURES AND PENALTIES</b>	<u>450,000</u>	<u>450,000</u>	<u>397,169</u>	<u>(52,831)</u>

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CITY OF FRANKLIN  
General FundSchedule of Revenue - Budget and Actual  
Year Ended December 31, 2004

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>PUBLIC CHARGES FOR SERVICES</b>				
<b>General government</b>				
Zoning, subdivision and other filing fees	\$ 140,100	\$ 140,100	\$ 116,390	\$ (23,710)
Property reports and document fees	25,550	25,550	19,415	(6,135)
<b>Public safety</b>				
Police Department and related	22,000	22,000	7,953	(14,047)
Ambulance service	306,000	306,000	330,808	24,808
Fire Department and related	28,000	29,000	59,437	30,437
<b>Public works</b>				
Street lighting	3,000	3,000	5,164	2,164
Weed cutting	25,000	25,000	20,170	(4,830)
Quarry reimbursement	34,500	34,500	29,878	(4,622)
Engineering and DPW fees	114,500	114,500	227,431	112,931
Sanitary transfer and landfill fee	697,000	697,000	733,477	36,477
<b>Health and human services</b>				
Health Clinics	45,000	45,000	56,952	11,952
	<u>1,440,650</u>	<u>1,441,650</u>	<u>1,607,075</u>	<u>165,425</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>	<u>623,000</u>	<u>623,000</u>	<u>575,009</u>	<u>(47,991)</u>
<b>INVESTMENT EARNINGS</b>	<u>342,500</u>	<u>342,500</u>	<u>177,420</u>	<u>(165,080)</u>
<b>MISCELLANEOUS REVENUE</b>				
Municipal property rental	40,000	40,000	47,399	7,399
Property sale	5,000	5,000	-	(5,000)
Refunds and reimbursements	44,000	44,000	29,250	(14,750)
Insurance dividend	20,000	20,000	30,225	10,225
Other revenue	25,200	25,200	29,253	4,053
	<u>134,200</u>	<u>134,200</u>	<u>136,127</u>	<u>1,927</u>
<b>TOTAL REVENUE</b>	<u>\$ 18,934,300</u>	<u>\$ 18,935,300</u>	<u>\$ 19,138,836</u>	<u>\$ 203,536</u>

**CITY OF FRANKLIN  
General Fund**

**Schedule of Expenditures - Budget and Actual (on a budgetary basis)  
Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>CURRENT</b>				
<b>General Government</b>				
Mayor	\$ 23,852	\$ 23,852	\$ 23,273	\$ 579
Aldermen	60,231	60,231	58,868	1,363
Municipal court	58,994	58,994	86,630	(27,636)
City clerk	234,309	234,309	234,013	296
Elections	40,757	40,757	31,993	8,764
Information services	295,350	295,350	260,649	34,701
Administraton	232,797	232,797	219,192	13,605
Human resources	129,799	129,799	139,749	(9,950)
Finance	299,301	288,779	289,277	(498)
Audit	23,000	49,000	44,538	4,462
Assessor	233,314	222,823	241,742	(18,919)
Treasury	147,905	131,427	120,071	11,356
Legal counsel	191,380	196,380	179,931	16,449
Municipal buildings	244,918	244,918	222,558	22,360
Property and liability insurance	199,350	199,350	101,645	97,705
Other	5,000	7,500	12,396	(4,896)
Contingency	525,000	501,791	-	501,791
Total General Government	<u>2,945,257</u>	<u>2,918,057</u>	<u>2,266,525</u>	<u>651,532</u>
<b>Public Safety</b>				
Police:				
Police	6,097,135	6,097,135	6,098,564	(1,429)
Dispatchers	800,490	800,490	728,238	72,252
Court Services	83,105	83,105	81,402	1,703
Fire	4,017,016	4,044,016	4,186,581	(142,565)
Fire protection service charge	217,900	217,900	217,856	44
Building inspection	767,028	767,028	782,916	(15,888)
Sealer of weights and measures	6,800	6,800	6,800	-
Total Public Safety	<u>11,989,474</u>	<u>12,016,474</u>	<u>12,102,357</u>	<u>(85,883)</u>
<b>Public Works</b>				
Engineering	527,018	527,018	509,459	17,559
Highway	1,812,844	1,812,844	1,759,234	53,610
Refuse collection	990,649	990,649	1,076,353	(85,704)
Street lighting	224,400	224,400	213,954	10,446
Weed control	25,000	25,000	21,392	3,608
Total Public Works	<u>3,579,911</u>	<u>3,579,911</u>	<u>3,580,392</u>	<u>(481)</u>
<b>Health and Human Services</b>				
Public health	466,668	466,668	433,999	32,669
Animal control	32,700	32,700	34,088	(1,388)
Total Health and Human Services	<u>499,368</u>	<u>499,368</u>	<u>468,087</u>	<u>31,281</u>
<b>Culture and Recreation</b>				
St. Martin's fair	45,205	45,205	35,178	10,027
Civic celebrations	4,000	4,000	4,000	-
Senior travel program	6,600	6,600	3,798	2,802
Parks	87,147	88,347	91,464	(3,117)
Total Culture and Recreation	<u>142,952</u>	<u>144,152</u>	<u>134,440</u>	<u>9,712</u>
<b>Conservation and Development</b>				
Community development	193,379	193,379	196,094	(2,715)
Planning	303,959	303,959	277,270	26,689
Total Conservation and Development	<u>497,338</u>	<u>497,338</u>	<u>473,364</u>	<u>23,974</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 19,654,300</u>	<u>\$ 19,655,300</u>	<u>\$ 19,025,165</u>	<u>\$ 630,135</u>



**CITY OF FRANKLIN**  
**Debt Service Fund**  
**Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>				
Taxes	\$ 2,410,211	\$ 2,410,211	\$ 2,410,211	\$ -
Public charges for services - Landfill siting	424,500	424,500	456,909	32,409
Special assessments	-	-	500,409	500,409
Investment earnings	-	-	183,037	183,037
Total Revenue	<u>2,834,711</u>	<u>2,834,711</u>	<u>3,550,566</u>	<u>715,855</u>
<b>EXPENDITURES</b>				
Debt service				
Principal	4,000,000	4,000,000	4,000,000	-
Interest	<u>1,348,711</u>	<u>1,311,211</u>	<u>1,311,211</u>	-
Total Expenditures	<u>5,348,711</u>	<u>5,311,211</u>	<u>5,311,211</u>	-
Excess (Deficiency) of Revenue Over (Under) Expenditures	(2,514,000)	(2,476,500)	(1,760,645)	715,855
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,305,742	2,307,808	337,199	(1,970,609)
Transfers out	<u>-</u>	<u>-</u>	<u>(22,026)</u>	<u>(22,026)</u>
Net change in fund balances	(208,258)	(168,692)	(1,445,472)	(1,276,780)
Fund balances - beginning	<u>1,572,038</u>	<u>1,572,038</u>	<u>1,572,038</u>	-
Fund balances - ending	<u>\$ 1,363,780</u>	<u>\$ 1,403,346</u>	<u>\$ 126,566</u>	<u>\$ (1,276,780)</u>

**CITY OF FRANKLIN**  
**Library Fund**  
**Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Year Ended December 31, 2004**

	Original and final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>			
Taxes	\$ 884,500	\$ 884,500	\$ -
Investment earnings	8,000	5,272	(2,728)
Miscellaneous revenue	-	133,207	133,207
Total Revenue	892,500	1,022,979	130,479
<b>EXPENDITURES</b>			
Current			
Culture and recreation	867,042	854,640	12,402
Capital Outlay	95,730	113,093	(17,363)
Total Expenditures	962,772	967,733	(4,961)
Excess (Deficiency) of Revenue Over (Under) Expenditures	(70,272)	55,246	125,518
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	60,000	40,073	(19,927)
Transfers out	-	-	-
Net change in fund balances	(10,272)	95,319	105,591
Fund balances - beginning	140,576	140,576	-
Fund balances - ending	\$ 130,304	\$ 235,895	\$ 105,591

## CITY OF FRANKLIN

## Capital Projects Funds

Schedule of Revenue, Expenditures and Changes in Fund Balance -  
 Budget and Actual (on a budgetary basis)  
 Year Ended December 31, 2004

	Capital Outlay Fund			Equipment Replacement Fund			
	Original and final Budget	Actual	Variance with final budget - Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>							
Taxes	\$ 223,000	\$ 223,000	\$ -	\$ 255,000	\$ 255,000	\$ 255,000	\$ -
Intergovernmental revenue	-	-	-	-	-	-	-
Investment earnings	5,000	3,984	(1,016)	50,000	50,000	22,121	(27,879)
Miscellaneous revenue	6,000	3,579	(2,421)	-	43,000	52,076	9,076
Total Revenue	<u>234,000</u>	<u>230,563</u>	<u>(3,437)</u>	<u>305,000</u>	<u>348,000</u>	<u>329,197</u>	<u>(18,803)</u>
<b>EXPENDITURES</b>							
Capital outlay	<u>479,025</u>	<u>448,273</u>	<u>30,752</u>	<u>223,000</u>	<u>287,200</u>	<u>284,961</u>	<u>2,239</u>
Total Expenditures	<u>479,025</u>	<u>448,273</u>	<u>30,752</u>	<u>223,000</u>	<u>287,200</u>	<u>284,961</u>	<u>2,239</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(245,025)	(217,710)	27,315	82,000	60,800	44,236	(16,564)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	250,000	-	(250,000)	-	4,200	5,366	1,166
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ 4,975</u>	<u>(217,710)</u>	<u>\$ (222,685)</u>	<u>\$ 82,000</u>	<u>\$ 65,000</u>	<u>49,602</u>	<u>\$ (15,398)</u>
Adjustments to generally accepted accounting principles basis							
2004 encumbrances		-	-			-	-
2003 encumbrances		(6,000)	-			-	-
Fund balances - beginning		<u>321,169</u>				<u>1,834,549</u>	
Fund balances - ending		<u>\$ 97,459</u>				<u>\$ 1,884,151</u>	

Continued

## CITY OF FRANKLIN

## Capital Projects Funds

Schedule of Revenue, Expenditures and Changes in Fund Balance -  
Budget and Actual (on a budgetary basis)  
Year Ended December 31, 2004

	Capital Improvement Fund				Street Improvement Fund		
	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)	Original and final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 700,000	\$ 700,000	\$ -
Intergovernmental revenue	-	-	-	-	75,000	79,090	4,090
Investment earnings	25,000	25,000	19,897	(5,103)	10,000	7,392	(2,608)
Miscellaneous revenue	-	-	-	-	-	-	-
Total Revenue	<u>25,000</u>	<u>25,000</u>	<u>19,897</u>	<u>(5,103)</u>	<u>785,000</u>	<u>786,482</u>	<u>1,482</u>
<b>EXPENDITURES</b>							
Capital outlay	<u>2,662,900</u>	<u>2,787,900</u>	<u>2,933,157</u>	<u>(145,257)</u>	<u>469,000</u>	<u>386,116</u>	<u>82,884</u>
Total Expenditures	<u>2,662,900</u>	<u>2,787,900</u>	<u>2,933,157</u>	<u>(145,257)</u>	<u>469,000</u>	<u>386,116</u>	<u>82,884</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(2,637,900)	(2,762,900)	(2,913,260)	(150,360)	316,000	400,366	84,366
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	2,249,000	2,374,000	2,234,513	(139,487)	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(328,000)</u>	<u>(328,000)</u>	<u>-</u>
Net changes in fund balances	<u>\$ (388,900)</u>	<u>\$ (388,900)</u>	(678,747)	<u>\$ (289,847)</u>	<u>\$ (12,000)</u>	72,366	<u>\$ 84,366</u>
Adjustments to generally accepted accounting principles basis							
2004 encumbrances			16,000			-	
2003 encumbrances			(16,000)			-	
Fund balances - beginning			<u>2,184,384</u>			<u>217,675</u>	
Fund balances - ending			<u>\$ 1,505,637</u>			<u>\$ 290,041</u>	

**CITY OF FRANKLIN**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Source**  
**December 31, 2004**

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**Governmental funds capital assets:**

Land	\$ 4,777,991
Buildings and improvements	21,190,277
Machinery and equipment	11,482,674
Infrastructure improvements	<u>8,323,261</u>

<b>Total governmental funds capital assets</b>	<b><u>\$ 45,774,203</u></b>
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**Investment in government capital assets by source:**

Assets acquired prior to 1993	\$ 4,710,865
Assets acquired after 1992	
General Fund	1,830,309
Special Revenue Funds	413,162
Capital Projects Funds	29,957,381
Donations	<u>8,862,486</u>

<b>Total governmental funds capital assets</b>	<b><u>\$ 45,774,203</u></b>
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**CITY OF FRANKLIN**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function and Activity**  
**Year Ended December 31, 2004**

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Infrastructure Improvements</u>	<u>Total</u>
<b>General Government:</b>					
Mayor	\$ -	\$ -	\$ 1,123	\$ -	\$ 1,123
Aldermen	-	-	4,769	-	4,769
Municipal court	-	-	7,446	-	7,446
City clerk	-	-	4,232	-	4,232
Elections	-	-	2,500	-	2,500
Information services	-	-	301,999	-	301,999
Administration	-	-	598,218	-	598,218
Human resources	-	-	1,295	-	1,295
Finance	-	-	26,966	-	26,966
Assessor	-	-	32,587	-	32,587
Treasurer	-	-	26,104	-	26,104
Attorney	-	-	1,400	-	1,400
Municipal buildings	<u>710,717</u>	<u>2,599,125</u>	<u>526,334</u>	-	<u>3,836,176</u>
Total General Government	<u>710,717</u>	<u>2,599,125</u>	<u>1,534,973</u>	-	<u>4,844,815</u>
<b>Public Safety:</b>					
Police	1,201,829	8,418,912	2,406,548	-	12,027,289
Fire	25,000	2,424,996	2,633,179	-	5,083,175
Building inspection	-	-	281,390	-	281,390
Total Public Safety	<u>1,226,829</u>	<u>10,843,908</u>	<u>5,321,117</u>	-	<u>17,391,854</u>
<b>Public Works:</b>					
Engineering	-	-	194,159	-	194,159
Highway	84,610	2,614,351	3,513,681	-	6,212,642
Infrastructure	<u>1,776,520</u>	-	-	<u>8,323,261</u>	<u>10,099,781</u>
Total Public Works	<u>1,861,130</u>	<u>2,614,351</u>	<u>3,707,840</u>	<u>8,323,261</u>	<u>16,506,582</u>
<b>Health &amp; Human Services:</b>					
Health	-	-	40,229	-	40,229
<b>Culture and Recreation:</b>					
Library	-	4,865,340	731,744	-	5,597,084
Parks	<u>979,315</u>	<u>267,553</u>	<u>69,628</u>	-	<u>1,316,496</u>
Total Culture and Recreation	<u>979,315</u>	<u>5,132,893</u>	<u>801,372</u>	-	<u>6,913,580</u>
<b>Conservation and Development:</b>					
Community development	-	-	9,145	-	9,145
Planning	-	-	67,998	-	67,998
Total Conservation and Development	-	-	<u>77,143</u>	-	<u>77,143</u>
<b>Total governmental funds capital assets</b>	<u>\$ 4,777,991</u>	<u>\$ 21,190,277</u>	<u>\$ 11,482,674</u>	<u>\$ 8,323,261</u>	<u>\$ 45,774,203</u>

**CITY OF FRANKLIN**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity**  
**Year Ended December 31, 2004**

<u>Function and Activity</u>	<u>Governmental Funds Capital Assets</u>			
	<u>12/31/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/04</u>
<b>General Government:</b>				
Mayor	\$ 1,123	\$ -	\$ -	\$ 1,123
Aldermen	4,769	-	-	4,769
Municipal court	7,446	-	-	7,446
City clerk	4,232	-	-	4,232
Elections	2,500	-	-	2,500
Information services	281,431	20,568	-	301,999
Administration	595,043	3,175	-	598,218
Human resources	1,295	-	-	1,295
Finance	26,966	-	-	26,966
Assessor	32,587	-	-	32,587
Treasury	21,054	5,050	-	26,104
Attorney	1,400	-	-	1,400
Municipal buildings	3,557,900	278,276	-	3,836,176
Total General Government	<u>4,537,746</u>	<u>307,069</u>	<u>-</u>	<u>4,844,815</u>
<b>Public Safety:</b>				
Police	11,986,062	41,227	-	12,027,289
Fire	4,992,537	205,508	114,870	5,083,175
Building inspection	264,734	16,656	-	281,390
Total Public Safety	<u>17,243,333</u>	<u>263,391</u>	<u>114,870</u>	<u>17,391,854</u>
<b>Public Works:</b>				
Engineering	185,539	8,620	-	194,159
Highway	6,075,211	245,455	108,024	6,212,642
Infrastructure	3,077,548	7,022,233	-	10,099,781
Total Public Works	<u>9,338,298</u>	<u>7,276,308</u>	<u>108,024</u>	<u>16,506,582</u>
<b>Health &amp; Human Services:</b>				
Health	<u>39,065</u>	<u>1,164</u>	<u>-</u>	<u>40,229</u>
<b>Culture and Recreation:</b>				
Library	5,547,226	49,858	-	5,597,084
Parks	1,165,202	151,294	-	1,316,496
Total Culture and Recreation	<u>6,712,428</u>	<u>201,152</u>	<u>-</u>	<u>6,913,580</u>
<b>Conservation and Development:</b>				
Community development	9,145	-	-	9,145
Planning	36,327	31,671	-	67,998
Total Conservation and Development	<u>45,472</u>	<u>31,671</u>	<u>-</u>	<u>77,143</u>
<b>Total governmental funds capital assets</b>	<u>\$ 37,916,342</u>	<u>\$ 8,080,755</u>	<u>\$ 222,894</u>	<u>\$ 45,774,203</u>

**CITY OF FRANKLIN**  
**Fiduciary Funds**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**Year Ended December 31, 2004**

<b>PROPERTY TAX AGENCY FUND</b>	<b>12/31/03</b>	<b>Additions</b>	<b>Deductions</b>	<b>12/31/04</b>
<b>ASSETS</b>				
Cash and investments	\$ 35,507,641	\$ 70,831,074	\$ 66,759,310	\$ 39,579,405
Receivables				
Taxes receivable	14,690,169	52,547,429	54,179,705	13,057,893
Accounts receivable	18,210	41,168	18,210	41,168
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>\$ 50,216,020</b>	<b>\$ 123,419,671</b>	<b>\$ 120,957,225</b>	<b>\$ 52,678,466</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 151,014	\$ 131,036	\$ 151,014	\$ 131,036
Due to component unit	2,729,979	2,925,386	2,729,979	2,925,386
Due to other governments	47,335,027	49,622,044	47,335,027	49,622,044
<b>Total liabilities</b>	<b>\$ 50,216,020</b>	<b>52,678,466</b>	<b>50,216,020</b>	<b>52,678,466</b>
<b>OTHER AGENCY FUND</b>				
<b>ASSETS</b>				
Cash and investments	\$ 10,992	\$ 21,636	\$ 21,678	\$ 10,950
<b>LIABILITIES</b>				
Accounts payable	\$ 2,799	\$ -	\$ 2,799	\$ -
Special deposits	8,193	15,592	12,835	10,950
<b>Total liabilities</b>	<b>\$ 10,992</b>	<b>\$ 15,592</b>	<b>\$ 15,634</b>	<b>\$ 10,950</b>
<b>TOTAL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and investments	\$ 35,518,633	\$ 70,852,710	\$ 66,780,988	\$ 39,590,355
Receivables				
Taxes receivable	14,690,169	52,547,429	54,179,705	13,057,893
Accounts receivable	18,210	41,168	18,210	41,168
<b>Total assets</b>	<b>\$ 50,227,012</b>	<b>\$ 123,441,307</b>	<b>\$ 120,978,903</b>	<b>\$ 52,689,416</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 153,813	\$ 131,036	\$ 153,813	\$ 131,036
Due to component unit	2,729,979	2,925,386	2,729,979	2,925,386
Due to other governments	47,335,027	49,622,044	47,335,027	49,622,044
Special deposits	8,193	15,592	12,835	10,950
<b>Total liabilities</b>	<b>50,227,012</b>	<b>52,694,058</b>	<b>50,231,654</b>	<b>52,689,416</b>
<b>Total net assets</b>	<b>\$ -</b>	<b>\$ 70,747,249</b>	<b>\$ 70,747,249</b>	<b>\$ -</b>



**CITY OF FRANKLIN**  
**Discretely Presented Component Unit**  
**Community Development Authority of the City of Franklin**  
**Combining Balance Sheet**  
**December 31, 2004**

	Tax Incremental Financing District District #2		
	Capital Projects Fund	Debt Service Fund	Total
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ -	\$ 370,686	\$ 370,686
Accounts Receivable	-	3,300	3,300
Due from primary government	-	2,925,386	2,925,386
Developer receivable	-	237,830	237,830
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 3,537,202</u>	<u>\$ 3,537,202</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 134,139	\$ 134,139
Unearned revenue	-	3,163,216	3,163,216
<b>Total Liabilities</b>	<u>-</u>	<u>3,297,355</u>	<u>3,297,355</u>
<b>NET ASSETS (LIABILITIES)</b>			
Net Assets			
Restricted for:			
TIF #2	-	239,847	239,847
Undesignated	-	-	-
<b>Total Net Assets (liabilities)</b>	<u>\$ -</u>	<u>\$ 239,847</u>	<u>\$ 239,847</u>
Total fund balances of component unit			\$ 239,847
Amounts reported for component units in the statement of net assets are different because:			
Long-term liabilities, including long-term debt, are not due and payable in the current period and are not reported in the funds.			(20,318,009)
Other long-term assets that are not available to pay for current period expenditures and are deferred in the funds.			<u>237,830</u>
<b>Net assets of component unit</b>			<u>\$ (19,840,332)</u>

**CITY OF FRANKLIN**  
**Discretely Presented Component Unit**  
**Community Development Authority of the City of Franklin**  
**Combining Statement of Revenue, Expenditures**  
**and Changes in Fund Balances**  
**Year Ended December 31, 2004**

	Tax Incremental Financing District District #2		
	Capital Projects Fund	Debt Service Fund	Total
<b>REVENUE</b>			
Taxes	\$ -	\$ 2,729,979	\$ 2,729,979
Intergovernmental revenue	-	102,135	102,135
Sales of interest in land	-	52,119	52,119
Investment earnings	-	20,994	20,994
Total Revenue	-	2,905,227	2,905,227
<b>EXPENDITURES</b>			
Current:			
Conservation and development	-	6,814	6,814
Capital outlay	83,580	-	83,580
Debt service			
Principal	-	2,240,000	2,240,000
Interest expense and fiscal charges	-	1,125,053	1,125,053
Total Expenditures	83,580	3,371,867	3,455,447
Excess (Deficiency) of Revenue Over (Under) Expenditures	(83,580)	(466,640)	(550,220)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	83,580	-	83,580
Transfers out	-	(83,580)	(83,580)
Net change in fund balances	-	(550,220)	(550,220)
Fund balances - beginning	-	790,067	790,067
<b>Fund Balances - ending</b>	\$ -	\$ 239,847	\$ 239,847
Net change in fund balances of component unit			\$ (550,220)

Amounts reported for component units in the statement of net assets are different because:

The issuance of long-term debt ( e.g. notes, leases) provides current financial resources to component units, while the repayment of the principal on long-term debt consumes current financial resources of component units. Neither transaction, however, has any effect on net assets. This amount is the net effect of those differences in the treatment of long term debt 2,240,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the component unit 9,508

Revenue in the component unit that provides current financial resources but has been previously reported as revenue in the statement of activities (49,150)

Net change in net assets of component unit \$ 1,650,138